

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

May 6, 2005

IN RE:)	
)	
TARIFF FILING BY UNITED TELEPHONE)	DOCKET NO.
COMPANY TO INCREASE SERVICE ORDER)	04-00173
CHARGE, RECONNECT CHARGE AND RETURNED)	
CHECK CHARGE - Tariff Number 2004-00700)	
)	
TARIFF FILING BY UNITED TELEPHONE)	
COMPANY TO REVISE SERVICE ORDER AND)	
RECONNECT CHARGES AND ELIMINATE NON-)	
PUBLISHED DIRECTORY CHARGES – Tariff)	
Number 2004-01321)	

ORDER APPROVING TARIFFS

This matter came before Chairman Pat Miller, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the “Authority”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on September 27, 2004 for consideration of the Tariff Filing by United Telephone Company to Increase Service Order Charge, Reconnect Charge and Returned Check Charge - Tariff Number 2004-00700, and at a regularly scheduled Authority Conference held on December 13, 2004 for consideration of the Tariff Filing to Revise Service Order and Reconnect Charges and to Eliminate Non-Published Directory Charge – Tariff Number 2004-01321, filed by United Telephone Company (“United” or the “Company”).

BACKGROUND

On June 14, 2004, United filed its Tariff Filing to Increase Service Order Charge, Reconnect Charge and Returned Check Charge – Tariff Number 2004-00700, with a proposed effective date of July 5, 2004.¹ Tariff Number 2004-00700 increased United's rates for non-recurring charges, such as installation and reconnection, while reducing rates for Business ISDN and non-published telephone numbers. Included in Tariff Number 2004-00700 was a proposed reduction in rates for non-published telephone numbers from \$2.00 to \$1.00. The reduction in rates was deemed necessary to offset revenue increases resulting from installation and reconnection fees, making the tariff filing revenue neutral.

SEPTEMBER 27, 2004 AUTHORITY CONFERENCE

At the regularly scheduled Authority Conference held on September 27, 2004, the panel voted unanimously to approve Tariff Number 2004-00700. The effective date of the tariff was October 1, 2004.

After the approval of Tariff Number 2004-00700, it was discovered that United previously had not charged a fee for non-published telephone numbers. Therefore, the new rate of \$1.00 for non-published telephone numbers effectively provided United with

¹ During a regularly scheduled Authority Conference on June 21, 2004, the panel suspended the tariff until August 3, 2004 to allow United sufficient time to provide additional requested information and to give the Authority's staff an opportunity to analyze the data. On July 8, 2004, United requested that the effective date of the tariff be extended to August 23, 2004. During a regularly scheduled Authority Conference on August 9, 2004, the panel suspended the tariff through August 30, 2004. On August 18, 2004, United filed a revision to the tariff with an effective date of September 6, 2004 that replaced the tariff filed on June 14, 2004. On August 20, 2004, United asked for an extension of the effective date of the tariff filing to September 14, 2004 and on September 3, 2004, asked for an extension of the effective date of the tariff filing to September 28, 2004. On September 7, 2004, United filed a revised tariff with an effective date of October 1, 2004, which replaced the revised tariff filed on August 18, 2004.

an overall net increase in revenues.

To correct this error, United filed the Tariff Filing to Revise Service Order and Reconnect Charges and Eliminate Non-Published Directory Charges – Tariff Number 2004-01321, on November 3, 2004. Additionally, United stated that it provided bill credits to customers that were charged for non-published numbers pursuant to Tariff Number 2004-00700.² United filed revisions to its tariff on November 5, 2004 and December 7, 2004. The effective date of the December 7, 2004 revised tariff was December 31, 2004. According to United's calculations, the result of the rate changes contained in the revised tariff filing offset the rate decreases approved in Tariff Number 2004-00700 so that the net effect of the rate changes in the two tariffs (Numbers 2004-00700 and 2004-01321) would be revenue-neutral to the Company.

DECEMBER 13, 2004 AUTHORITY CONFERENCE

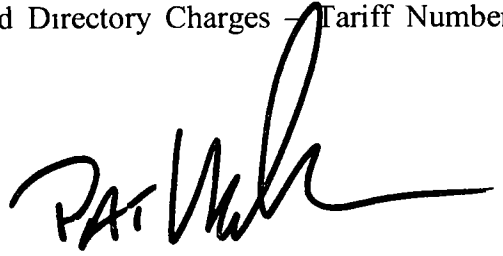
At the December 13, 2004 regularly scheduled Authority Conference, the panel unanimously voted to approve the Tariff Filing to Revise Service Order and Reconnect Charges and Eliminate Non-Published Directory Charges – Tariff Number 2004-01321. The effective date of the tariff was December 31, 2004.

IT IS THEREFORE ORDERED THAT:

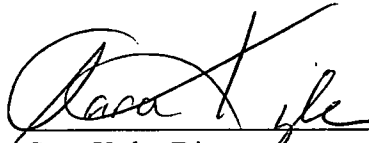
1. United Telephone Company Tariff Filing to Increase Service Order Charge, Reconnect Charge and Returned Check Charge – Tariff Number 2004-00700, is approved.

² Letter from Herbert R. Bivens to Darlene Standley, p. 1 (November 5, 2004)

2. United Telephone Company Tariff Filing to Revise Service Order and Reconnect Charges and Eliminate Non-Published Directory Charges – Tariff Number 2004-01321, is approved.



Pat Miller, Director



Sara Kyle, Director



Ron Jones, Director